### IN THE CLAIMS

Claims 1-28 (cancelled).

29.(New) A banknote validator comprising:

a banknote path, said banknote path comprising a banknote insertion path in communication with a banknote acceptance path;

a reversible banknote driving means for driving a banknote along said banknote path; a non-return gate provided in said banknote path, said non-return gate comprising a pivotably mounted flap means biased into said banknote path;

banknote characteristic sensing means for sensing a characteristic of the banknote; and processing means operatively connected with the sensing means and arranged to reject or accept a banknote, said processing means being responsive to the output of said banknote characteristic sensing means to identify an acceptable banknote; wherein said reversible driving means is arranged to reverse if a banknote is identified as being acceptable after the accepted banknote has cleared said non-return gate such that said accepted banknote passes along said banknote acceptance path, and wherein said reversible driving means is arranged to reverse if a banknote is determined as not being acceptable before the rejected banknote has cleared said non-return gate such that said rejected banknote passes back along said banknote insertion path.

- 30. (New) A banknote validator as claimed in claim 29, wherein said non-return gate extends substantially completely across the width of the banknote path.
- 31. (New) A banknote validator as claimed in Claim 29, wherein said pivotally mounted flap means comprises an edge with at least one projection, said at least one projection being receivable into at least one complimentary depression in said banknote path.

- 32. (New) A banknote validator as claimed in claim 29, wherein said non-return gate is angled in the direction of banknote travel along the insertion path, prior to reversal of said banknote driving means.
- 33. (New) A banknote validator as claimed in claim 29, wherein the non-return gate comprises a banknote guiding portion arranged for guiding said acceptable banknote along said banknote acceptance path.
- 34. (New) A banknote validator as claimed in claim 33, wherein said banknote guiding portion defines one surface of a plurality of surfaces, which when arranged side by side define said banknote acceptance path.
- 35. (New) A banknote validator as claimed in claim 33, wherein the banknote guiding means is curved in the direction of banknote travel to as to facilitate movement of a banknote along said banknote acceptance path.

Docket INN 0004 NA Serial No. 10,044,550

#### 36. (New) A banknote validator comprising:

a banknote path, said banknote path comprising a banknote insertion path in communication with a banknote acceptance path;

a reversible banknote driving means for driving a banknote along said banknote path;

a non-return gate provided in said banknote path, said non-return gate comprising a pivotably mounted flap means biased into said banknote path, with an edge of said pivotally mounted flap means comprising at least one projection, said at least one projection being receivable in at least one complimentary depression in the banknote path;

banknote characteristic sensing means for sensing a characteristic of the banknote; and processing means operatively connected with the sensing means and arranged to reject or accept a banknote, said processing means being responsive to the output of said banknote characteristic sensing means to identify an acceptable banknote; wherein said reversible driving means is arranged to reverse if a banknote is identified as being acceptable after the accepted banknote has cleared said non-return gate such that said accepted banknote passes along said banknote acceptance path, and said reversible driving means is arranged to reverse if a banknote is determined as not being acceptable before the rejected banknote has cleared said non-return gate such that said rejected banknote passes back along said banknote insertion path.

- 37. (New) A banknote validator as claimed in claim 36, wherein the non-return gate extends substantially completely across the width of the banknote path.
- 38. (New) A banknote validator as claimed in claim 36, wherein said edge of said pivotally mounted flap means comprises a plurality of projections, said plurality being received into a plurality of complimentary depressions in the banknote path.
- 39.(New) A banknote validator as claimed in claim 38, wherein said plurality of projections are rib formations.

Docket INN 0004 NA Serial No. 10,044,550 -5-

- 40. (New) A banknote validator as claimed in claim 38, wherein said plurality of complimentary depressions are groove formations.
- 41. (New) A banknote validator as claimed in claim 36, wherein said non-return gate is angled in the direction of banknote travel along the insertion path, prior to reversal of said banknote driving means.
- 42. (New) A banknote validator as claimed in claim 36, wherein the non-return gate comprises a banknote guiding portion arranged for guiding said acceptable banknote along said banknote acceptance path.
- 43. (New) A banknote validator as claimed in claim 42, wherein said banknote guiding portion defines one surface of a plurality of surfaces, which when arranged side by side define said banknote acceptance path.
- 44. (New) A banknote validator as claimed in claim 42, wherein the banknote guiding means is curved in the direction of banknote travel to as to facilitate movement of a banknote along said banknote acceptance path.

# 45. (New) A banknote validator comprising:

a banknote path, said banknote path comprising a banknote insertion path in communication with a banknote acceptance path;

banknote characteristic sensing means for sensing a characteristic of the banknote; processing means operatively connected with the sensing means and arranged to reject or accept a banknote, said processing means being responsive to the output of said banknote characteristic sensing means to identify an acceptable banknote;

a reversible banknote driving means for driving a banknote along said banknote path, operation of said driving means being controlled by said processing means; and

a non-return gate provided in said banknote path, said non-return gate comprising a pivotably mounted flap means biased into said banknote path; wherein said processing means is arranged to control the timing of a reversal of said driving means such that if a banknote is identified as being acceptable, said reversible driving means can be reversed after the accepted banknote has cleared said non-return gate such that the accepted banknote can be progressed to said banknote acceptance path, and if a banknote is determined as not being acceptable, said reversible driving means can be reversed before the rejected banknote has cleared said non-return gate, such that enabling the rejected banknote can be returned along said banknote insertion path.

- 46. (New) A banknote validator as claimed in claim 45, wherein said non-return gate extends substantially completely across the width of the banknote path.
- 47. (New) A banknote validator as claimed in claim 45, wherein a banknote engaging portion of said pivotally mounted flap means comprises at least one projection, said at least one projection being receivable in at least one complimentary depression in the banknote path.
- 48. (New) A banknote validator as claimed in claim 45, wherein said non-return gate is angled in the direction of banknote travel along the insertion path prior to reversal of said banknote driving means.

- 49. (New) A banknote validator as claimed in Claim 45, wherein the non-return gate comprises a banknote guiding portion arranged for guiding said acceptable banknote along said banknote acceptance path.
- 50. (New) A banknote validator as claimed in claim 49, wherein said banknote guiding portion defines one surface of a plurality of surfaces, which when arranged side by side define said banknote acceptance path.
- 51. (New) A banknote validator as claimed in claim 49, wherein the banknote guiding means is curved in the direction of banknote travel to as to facilitate movement of a banknote along said banknote acceptance path.

#### 52. (New) A banknote validator comprising:

a banknote path, said banknote path comprising a banknote insertion path in communication with a banknote acceptance path;

a reversible banknote driving means for driving a banknote along said banknote path; a non-return gate provided in said banknote path, said non-return gate comprising a pivotably mounted flap means biased into said banknote path and a banknote guiding portion arranged for guiding said acceptable banknote along said banknote acceptance path;

banknote characteristic sensing means for sensing a characteristic of the banknote; and processing means operatively connected with the sensing means and arranged to reject or accept a banknote, said processing means being responsive to the output of said banknote characteristic sensing means to identify an acceptable banknote; wherein said reversible driving means is arranged to reverse if a banknote is identified as being acceptable after the accepted banknote has cleared said non-return gate such that said accepted banknote passes along said banknote acceptance path, and said reversible driving means is arranged to reverse if a banknote is determined as not being acceptable before the rejected banknote has cleared said non-return gate such that said rejected banknote passes back along said banknote insertion path.

Docket INN 0004 NA Serial No. 10,044,550 -8-

- 53. (New) A banknote validator as claimed in Claim 52, wherein said non-return gate extends substantially completely across the width of the banknote path.
- 54. (New) A banknote validator as claimed in claim 52, wherein a banknote engaging portion of said pivotally mounted flap means comprises at least one projection, said at least one projection being receivable in at least one complimentary depression in the banknote path.
- 55. (New) A banknote validator as claimed in Claim 52, wherein said non-return gate is angled in the direction of banknote travel along the insertion path prior to reversal of said banknote driving means.
- 56. (New) A banknote validator as claimed in Claim 52, wherein said banknote guiding portion defines one surface of a plurality of surfaces, which when arranged side by side define said banknote acceptance path.
- 57. (New) A banknote validator as claimed in Claim 52, wherein said banknote guiding means is curved in the direction of banknote travel to as to facilitate movement of a banknote along said banknote acceptance path.

# 58. (New) A banknote validator comprising:

a body having a first portion defining a banknote insertion path and a second portion defining a banknote acceptance path, the first portion being provided adjacent the second portion such that the banknote insertion path is in communication with the banknote acceptance path to define an overall banknote path,

a non-return gate provided substantially at a junction between the first and second portions, the non-return gate intersecting the banknote insertion path and comprising a pivotally mounted flap means biased into the banknote insertion path; wherein the second portion comprises a rotatable banknote guide and a complimentary guide wall which together define a part of the banknote acceptance path;

a reversible banknote driving means for driving a banknote along said banknote path; banknote characteristic sensing means for sensing a characteristic of the banknote; and processing means operatively connected with the sensing means and arranged to reject or accept a banknote, said processing means being responsive to the output of said banknote characteristic sensing means to identify an acceptable banknote; wherein said reversible driving means is arranged to reverse if a banknote is identified as being acceptable after the accepted banknote has cleared said non-return gate such that said accepted banknote passes along said banknote acceptance path, and said reversible driving means is arranged to reverse if a banknote is determined as not being acceptable before the rejected banknote has cleared said non-return gate such that said rejected banknote passes back along said banknote insertion path.

- 59. (New) A banknote validator as claimed in claim 58, wherein said banknote driving means comprises a banknote driving wheel in contact with said rotatable banknote guide, such that in use an acceptable banknote is guided along said banknote acceptance path up and rearwardly over said rotatable banknote guide when said banknote driving means is reversed.
- 60. (New) A banknote validator as claimed in claim 58, wherein said non-return gate extends substantially completely across the width of said banknote insertion path.

- 61. (New) A banknote validator as claimed in claim 58, wherein said pivotally mounted flap means comprises an edge with at least one projection, said at least one projection being receivable into at least one complimentary depression in said banknote path.
- 62. (New) A banknote validator as claimed in claim 58, wherein said non-return gate is angled in the direction of banknote travel along the insertion path, prior to reversal of said banknote driving means.
- 63. (New) A banknote validator as claimed in claim 58, wherein the non-return gate comprises a banknote guiding portion arranged for guiding said acceptable banknote along said banknote acceptance path.
- 64. (New) A banknote validator as claimed in claim 63, wherein said banknote guiding portion defines one surface of a plurality of surfaces, which when arranged side by side define said banknote acceptance path.
- 65. (New) A banknote validator as claimed in claim 63, wherein the banknote guiding means is curved in the direction of banknote travel to as to facilitate movement of a banknote along said banknote acceptance path.
- 66. (New) A banknote validator comprising a banknote path, a non-return gate in the banknote path, reversible banknote driving means for driving a banknote in the banknote path, banknote characteristic sensing means, and processing means operable to operate the banknote driving means in a first direction during sensing of banknote characteristics by the banknote characteristic sensing means and thereafter reverse the banknote driving means to reject or accept a banknote; wherein the processing means is responsive to the output of the banknote characteristic sensing means to identify an acceptable banknote, and if a banknote is identified as being acceptable, to reverse the banknote driving means after the banknote has cleared the non-return gate.